

Message Text

UNCLASSIFIED

PAGE 01 STATE 207437
ORIGIN L-03

INFO OCT-01 EUR-12 ISO-00 CPR-03 EB-08 COME-00 TRSE-00
/027 R

DRAFTED BY L/M:HFSHAMWELL,JR:CEK
APPROVED BY L/M:KEMALMBORG
EUR/NE: RGREY
EUR/EX:EBOROUGH
S/CPR:RGOOKIN

-----108233 161800Z /53

R 161619Z AUG 78
FM SECSTATE WASHDC
TO AMEMBASSY REYKJAVIK

UNCLAS STATE 207437

E.O. 11652: N/A

TAGS: PDIP

SUBJECT: REQUEST FOR EXEMPTION FROM PAYMENT OF SALES TAX

REF: REYKJAVIK OM JUNE 6, 1978

1. REFERENCE OM ADVISED OF DESIRE OF EMBASSY TO REQUEST EXEMPTION FROM PAYMENT OF IDENTIFIABLE SALES TAX. FROM INFORMATION PROVIDED THE SALES TAX APPEARS TO BE ONE FROM WHICH DIPLOMATS ARE EXEMPT UNDER TITLE 34 OF VIENNA CONVENTION ON DIPLOMATIC RELATIONS SINCE IT IS NOT A TAX OF AN INDIRECT KIND "NORMALLY INCORPORATED IN THE PRICE OF GOODS AND SERVICES."

2. THE DEPT. CAN CONFIRM THAT DIPLOMATS OF ICELAND IN WASHINGTON AND NEW YORK ARE ENTITLED TO EXEMPTION FROM PAYMENT OF SALES TAXES ALTHOUGH SUCH TAX EXEMPTIONS ARE PROVIDED ON THE BASIS OF A COURTESY SINCE IN EACH CASE THE UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 207437

TAX IS CHARACTERIZED BY LOCAL GOVERNMENT AS "INDIRECT."
3. ALTHOUGH DEPT. STRONGLY ENCOURAGES EMB. ACTION, IT WOULD NOT BE SURPRISING IF THE GOI REFUSES REQUEST ON GROUND THAT TAX IN QUESTION IS "INDIRECT TAX" IN THE NATURE OF A VALUE ADDED TAX. THE DEPT. HAS FOR SOME TIME BEEN EXPERIENCING

APPARENTLY INSURMOUNTABLE OBSTACLES IN SECURING EXEMPTION

FROM THE VAT IMPOSED IN SEVERAL WESTERN EUROPEAN COUNTRIES.
AS POST IS PROBABLY AWARE, THE DEPT. IS PROCEEDING WITH A
PROGRAM FOR IMPOSING RECIPROCAL MEASURES ON THIS END IN
RESPONSE TO REFUSAL OF SENDING STATE GOVERNMENTS TO GRANT
EXEMPTIONS WHICH DEPT. REGARDS AS REQUIRED UNDER VIENNA
CONVENTION.

4. A REPORT FROM EMB. ON SUCCESS OF EFFORT WOULD BPPRECIATED. CHRISTOPHER

UNCLASSIFIED

NNNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES, TAXES
Control Number: n/a
Copy: SINGLE
Draft Date: 16 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE207437
Document Source: CORE
Document Unique ID: 00
Drafter: HFSHAMWELL,JR:CEK
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780372-1087
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780858/aaaabwbp.tel
Line Count: 70
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a3ef8662-c288-dd11-92da-001cc4696bcc
Office: ORIGIN L
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1720202
Secure: OPEN
Status: NATIVE
Subject: REQUEST FOR EXEMPTION FROM PAYMENT OF SALES TAX
TAGS: PDIP
To: REYKJAVIK
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/a3ef8662-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014